Senate Bill No. 253

CHAPTER 595

An act to amend Sections 798.3 and 1942.3 of the Civil Code, to amend Sections 568.2 and 568.3 of the Code of Civil Procedure, to amend Sections 65400, 65584.1, and 66016 of, and to repeal Sections 65586 and 65588.1 of, the Government Code, to amend Sections 18070.3, 18070.6, 18400.3, and 18867 of, and to repeal Section 33334.20 of, the Health and Safety Code, and to amend Section 3692.4 of the Revenue and Taxation Code, relating to housing.

[Approved by Governor October 6, 2005. Filed with Secretary of State October 6, 2005.]

LEGISLATIVE COUNSEL'S DIGEST

SB 253, Torlakson. Housing.

(1) In an unlawful detainer action to recover possession of a dwelling from a tenant, existing law provides that when certain conditions exist, there is a rebuttable presumption that a landlord has breached habitability requirements.

This bill would include in the conditions described above instances when the dwelling is deemed substandard, as specified, and when the dwelling violates specified limits relating to lead hazards.

(2) Existing law defines "mobilehome" for purposes of the Mobilehome Residency Law.

This bill would make a technical change in that definition.

(3) Existing law provides that a court may appoint a receiver to take possession of property under a variety of circumstances. Existing law requires that a receiver of real property containing rental housing notify the court of an order or notice to correct substandard conditions, as specified. Existing law also permits a tenant of real property that is subject to receivership, a tenant association, or specified government agencies to file a motion in a receivership action for instructions from a court in regard to substandard conditions, as specified.

This bill would include in the provisions regarding substandard conditions, described above, violations of limits relating to lead hazards.

(4) The Planning and Zoning Law requires each city, county, or city and county to prepare and adopt a general plan for its jurisdiction that contains certain mandatory elements, including a housing element. One part of the housing element is an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs. The assessment includes the locality's share of regional housing needs. That share is determined by the appropriate council of governments or by the Department of Housing and Community Development, subject to revision by the department.

The Planning and Zoning Law also authorizes a council of governments to charge a fee to local governments to cover the projected reasonable, actual costs of the council in distributing the regional housing needs pursuant to a city or county's housing element.

This bill would also authorize a council of governments to charge a fee for determining shares of the existing and projected regional housing need for cities, counties, and subregions at all income levels and for subsequent revisions of specified housing elements. The bill would also repeal obsolete provisions pertaining to housing elements.

(5) After the legislative body of a city, county, or city and county adopts all or part of a general plan, the Planning and Zoning Law requires the agency to provide an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes specified information regarding the status of the plan and progress in its implementation. This report is due by October 1 of each year.

This bill would instead require the report by April 1 of each year, but would provide that for 2006, the report may be provided by October 1, 2006.

(6) Existing law establishes the Manufactured Home Recovery Fund which is continuously appropriated to make payments and distributions for actual and direct losses, as defined, arising out of specified transactions regarding the purchase or sale of a manufactured home if certain conditions are met.

This bill would make technical changes in those provisions.

(7) The Mobilehome Park Act requires the Department of Housing and Community Development to convene a specified task force at least once a year to provide input to the department on the conduct and operation of the mobilehome park maintenance inspection program. The act also requires the department to reorganize violations under the act and regulations adopted pursuant to the act into 2 specified categories by January 1, 2000, and to correct those constituting unreasonable risk to life, health, or safety within 90 days following January 1, 2000. Any matter that would have constituted a violation prior to January 1, 2000, that was not categorized pursuant to these provisions was deemed to be of a minor or technical nature and not subject to citation or notation on the record of an inspection conducted on or after January 1, 2000.

This bill would revise these provisions to clarify that the authorization for the task force to meet at least once a year and to provide input to the department requires that the department annually reorganize violations and regulations under the act and would reduce the time period for violations constituting unreasonable risk to life, health, or safety to 60 days following January 1 of each year.

(8) The Special Occupancy Parks Act authorizes the Department of Housing and Community Development or a city, county, or city and county that assumes responsibility for the enforcement of the act to enter and inspect special occupancy parks, defined as recreational vehicle parks,

temporary recreational vehicle parks, incidental camping areas, and tent camps to secure enforcement of the act and implementing regulations. Existing law requires an enforcement agency to issue notice to correct a violation within 10 days of determining that a special park is in violation of the act or implementing regulations. Existing law requires the notice to allow 90 days from the postmarked date of the notice or date of personal delivery for elimination of the condition constituting the alleged violation if the violation is not an imminent threat to health and safety. Existing law authorizes an additional 90-day extension after the reinspection of the violation if the enforcement agency determines there is a valid reason why the violation was not corrected.

This bill would shorten the 90-day correction period to 30 days and the 90-day discretionary extension to 30 days.

(9) Existing law authorizes the redevelopment agency of a city that meets specified population size requirements and whose legislative body finds that property damage in the city during the civil unrest that occurred between April 29, 1992, and May 3, 1992, exceeded $50,000,000 to set aside into the Low and Moderate Income Housing Fund an amount that is less than it is otherwise required to set aside if the amount deposited, when added to other public funds expended or appropriated in that fiscal year for the purposes of constructing, rehabilitating, or preserving affordable housing for extremely low, very low, low- and moderate-income persons or families is equal to or greater than the amount it is otherwise required to set aside into its Low and Moderate Income Housing Fund. Existing law requires the redevelopment agency to adopt a plan to eliminate the deficit in subsequent years and complete payment by the 2003-04 fiscal year.

This bill would repeal these provisions and would provide that the repeal does not release an agency that reduced the set-aside pursuant to those provisions from eliminating the deficit in accordance with that section as it existed on December 31, 2005.

(10) Existing property tax law authorizes a city, county, city and county, or nonprofit organization to request the tax collector to bring any residential real property that is not occupied by the owner as his or her principal place of residence to the next scheduled public auction if the taxes on the real property have been delinquent for at least 3 years and the real property will be used to provide housing or services directly related to low-income persons. Existing law requires a 30-year deed restriction to be placed on real property acquired by a nonprofit organization, as specified.

This bill would allow a deed, instead of the 30-year deed restriction, to provide for equity sharing between a nonprofit organization and a low-income owner-occupant upon resale by the low-income owner-occupant of his or her single-family home that was initially purchased by the owner from the nonprofit organization.

The people of the State of California do enact as follows:

SECTION 1. Section 798.3 of the Civil Code is amended to read:

798.3. (a) "Mobilehome" is a structure designed for human habitation and for being moved on a street or highway under permit pursuant to Section 35790 of the Vehicle Code. Mobilehome includes a manufactured home, as defined in Section 18007 of the Health and Safety Code, and a mobilehome, as defined in Section 18008 of the Health and Safety Code, but, except as provided in subdivision (b), does not include a recreational vehicle, as defined in Section 799.29 of this code and Section 18010 of the Health and Safety Code or a commercial coach as defined in Section 18001.8 of the Health and Safety Code.

(b) "Mobilehome," for purposes of this chapter, other than Section 798.73, also includes trailers and other recreational vehicles of all types defined in Section 18010 of the Health and Safety Code, other than motor homes, truck campers, and camping trailers, which are used for human habitation if the occupancy criteria of either paragraph (1) or (2), as follows, are met:

(1) The trailer or other recreational vehicle occupies a mobilehome site in the park, on November 15, 1992, under a rental agreement with a term of one month or longer, and the trailer or other recreational vehicle occupied a mobilehome site in the park prior to January 1, 1991.

(2) The trailer or other recreational vehicle occupies a mobilehome site in the park for nine or more continuous months commencing on or after November 15, 1992.

"Mobilehome" does not include a trailer or other recreational vehicle located in a recreational vehicle park subject to Chapter 2.6 (commencing with Section 799.20).

SEC. 2. Section 1942.3 of the Civil Code is amended to read:

1942.3. (a) In any unlawful detainer action by the landlord to recover possession from a tenant, a rebuttable presumption affecting the burden of producing evidence that the landlord has breached the habitability requirements in Section 1941 is created if all of the following conditions exist:

(1) The dwelling substantially lacks any of the affirmative standard characteristics listed in Section 1941.1, is deemed and declared substandard pursuant to Section 17920.3 of the Health and Safety Code, or contains lead hazards as defined in Section 17920.10 of the Health and Safety Code.

(2) A public officer or employee who is responsible for the enforcement of any housing law has notified the landlord, or an agent of the landlord, in a written notice issued after inspection of the premises which informs the landlord of his or her obligation to abate the nuisance or repair the substandard or unsafe conditions identified under the authority described in paragraph (1).

(3) The conditions have existed and have not been abated 60 days beyond the date of issuance of the notice specified in paragraph (2) and the delay is without good cause.

(4) The conditions were not caused by an act or omission of the tenant or lessee in violation of Section 1929 or 1941.2.

(b) The presumption specified in subdivision (a) does not arise unless all of the conditions set forth therein are proven, but failure to so establish the presumption shall not otherwise affect the right of the tenant to raise and pursue any defense based on the landlord's breach of the implied warranty of habitability.

(c) The presumption provided in this section shall apply only to rental agreements or leases entered into or renewed on or after January 1, 1986.

SEC. 3. Section 568.2 of the Code of Civil Procedure is amended to read:

568.2. (a) A receiver of real property containing rental housing shall notify the court of the existence of any order or notice to correct any substandard or unsafe condition, as defined in Section 17920.3 or 17920.10 of the Health and Safety Code, with which the receiver cannot comply within the time provided by the order or notice.

(b) The notice shall be filed within 30 days after the receiver's appointment or, if the substandard condition occurs subsequently, within 15 days of its occurrence.

(c) The notice shall inform the court of all of the following:

(1) The substandard conditions that exist.

(2) The threat or danger that the substandard conditions pose to any occupant of the property or the public.

(3) The approximate cost and time involved in abating the conditions. If more time is needed to approximate the cost, then the notice shall provide the date on which the approximate cost will be filed with the court and that date shall be within 10 days of the filing.

(4) Whether the receivership estate is likely to contain sufficient funds to abate the conditions.

(d) If the receivership estate does not contain sufficient funds to abate the conditions, the receiver shall request further instructions or orders from the court.

(e) The court, upon receipt of a notice pursuant to subdivision (d), shall consider appropriate orders or instructions to enable the receiver to correct the substandard conditions or to terminate or limit the period of receivership.

SEC. 4. Section 568.3 of the Code of Civil Procedure is amended to read:

568.3. Any tenant of real property that is subject to receivership, a tenant association or organization, or any federal, state, or local enforcement agency, may file a motion in a receivership action for the purpose of seeking further instructions or orders from the court, if either of the following is true:

(a) Substandard conditions exist, as defined by Section 17920.3 or 17920.10 of the Health and Safety Code.

(b) A dispute or controversy exists concerning the powers or duties of the receiver affecting a tenant or the public.

SEC. 5. Section 65400 of the Government Code is amended to read:

65400. After the legislative body has adopted all or part of a general plan, the planning agency shall do both of the following:

(a) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan, so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open-space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan.

(b) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes all of the following:

(1) The status of the plan and progress in its implementation.

(2) The progress in meeting its share of regional housing needs determined pursuant to Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583.

The housing element portion of the annual report, as required by this paragraph, shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development pursuant to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2).

(3) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.

(c) For the 2006 calendar year, the planning agency may provide the report required pursuant to subdivision (b) by October 1, 2006.

SEC. 6. Section 65584.1 of the Government Code is amended to read:

65584.1. Councils of government may charge a fee to local governments to cover the projected reasonable, actual costs of the council in distributing regional housing needs pursuant to this article. Any fee shall not exceed the estimated amount required to implement its obligations pursuant to Sections 65584, 65584.01, 65584.02, 65584.03, 65584.04, 65584.05, and 65584.07. A city, county, or city and county may charge a fee, not to exceed the amount charged in the aggregate to the city, county, or city and county by the council of governments, to reimburse it for the cost of the fee charged by the council of government to cover the council's actual costs in distributing regional housing needs. The legislative body of the city, county, or city and county shall impose the fee pursuant to Section 66016, except that if the fee creates revenue in excess of actual costs, those revenues shall be refunded to the payers of the fee.

SEC. 7. Section 66016 of the Government Code is amended to read:

66016. (a) Prior to levying a new fee or service charge, or prior to approving an increase in an existing fee or service charge, a local agency shall hold at least one open and public meeting, at which oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this section is available, shall be mailed at least 14 days prior to the meeting to any interested party who files a written request with the local agency for mailed notice of the meeting on new or increased fees or service charges. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The legislative body may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service. At least 10 days prior to the meeting, the local agency shall make available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service, including General Fund revenues. Unless there has been voter approval, as prescribed by Section 66013 or 66014, no local agency shall levy a new fee or service charge or increase an existing fee or service charge to an amount which exceeds the estimated amount required to provide the service for which the fee or service charge is levied. If, however, the fees or service charges create revenues in excess of actual cost, those revenues shall be used to reduce the fee or service charge creating the excess.

(b) Any action by a local agency to levy a new fee or service charge or to approve an increase in an existing fee or service charge shall be taken only by ordinance or resolution. The legislative body of a local agency shall not delegate the authority to adopt a new fee or service charge, or to increase a fee or service charge.

(c) Any costs incurred by a local agency in conducting the meeting or meetings required pursuant to subdivision (a) may be recovered from fees charged for the services which were the subject of the meeting.

(d) This section shall apply only to fees and charges as described in Sections 51287, 56383, 57004, 65104, 65456, 65584.1, 65863.7, 65909.5, 66013, 66014, and 66451.2 of this code, Sections 17951, 19132.3, and 19852 of the Health and Safety Code, Section 41901 of the Public Resources Code, and Section 21671.5 of the Public Utilities Code.

(e) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion levying a fee or service charge subject to this section shall be brought pursuant to Section 66022.

SEC. 8. Section 65586 of the Government Code is repealed.

SEC. 9. Section 65588.1 of the Government Code is repealed.

SEC. 10. Section 18070.3 of the Health and Safety Code is amended to read:

18070.3. (a) When any person (1) who has purchased a manufactured home for a personal or family residential or investment purpose or (2) who has sold a manufactured home for a personal or family residential or investment purpose, obtains a final judgment against any manufactured home manufacturer, manufactured home dealer or salesperson, or other seller or purchaser, and the judgment is based on the grounds of (1) failure to honor warranties or guarantees, (2) fraud or willful misrepresentation related to any financial provision, (3) fraud or willful misrepresentation of the kind or quality of the product sold or purchased, (4) conversion, (5) any willful violation of any other provision of this part, including the provisions regulating escrow accounts, or regulations adopted pursuant to this part, or (6) violation of Chapter 3 (commencing with Section 1797) of Title 1.7 of Part 4 of Division 3 of the Civil Code, resulting in an actual and direct loss directly arising out of any transaction that occurs on or after January 1, 1985, the person, upon termination of all proceedings, including appeals, may file a claim with the department for an order directing payment out of the fund for the amount of actual and direct loss in the transaction.

(b) If any person either purchases a manufactured home used for a personal or family residential or investment purpose from, or sells a manufactured home used for a personal or family residential or investment purpose to, a person or entity who is or has been the subject of a bankruptcy proceeding, the person may file a claim with the department for an order directing payment out of the fund for the actual and direct loss in the transaction based on (1) the failure to honor warranties or guarantees, (2) fraud or willful misrepresentation related to any financial provision, (3) fraud or willful misrepresentation of the kind or quality of product purchased or sold, (4) conversion, (5) willful violation of any other provision in this part, including the provisions regulating escrow accounts, or (6) violation of Chapter 3 (commencing with Section 1797) of Title 1.7 of Part 4 of Division 3 of the Civil Code, resulting in an actual and direct loss directly arising out of any transaction that occurs on or after January 1, 1985.

(c) (1) The total amount of the claim shall not exceed the amount of actual and direct loss that remains unreimbursed from any source.

(2) The maximum payment ordered under this section, with respect to any one sales transaction on a new or used manufactured home, shall be the amount of the actual and direct loss, as determined by the department based on information in the possession of the department and information provided by the claimant or claimants. In no event shall the actual payment relating to a single transaction exceed seventy-five thousand dollars ($75,000).

(3) Notwithstanding any other provision of this chapter, a person who purchases or sells a manufactured home for an investment purpose may receive payment from the fund for that purpose only once. A person who has received payment from the fund for the purchase or sale of a manufactured home for an investment purpose shall henceforth be

ineligible to make a claim under this chapter, either as a natural person or as a member of a partnership, as an officer or director of a corporation, as a member of a marital community, or in any other capacity.

(d) Prior to payment of any claim against the fund, the claimant or claimants shall have first:

(1) If the claim is based on a final judgment, diligently pursued collection efforts against all the assets of the judgment debtor, or presented evidence satisfactory to the department that the debtor is judgment proof, or demonstrated evidence satisfactory to the department that the costs of collection are likely to be in excess of the amounts that could be collected. This evidence may include, but is not limited to, a description of the searches and inquiries conducted by or on behalf of the claimant with respect to the judgment debtor's assets liable to be sold or applied to the satisfaction of the judgment, an itemized valuation of the assets discovered, and the results of actions by the claimant to have assets applied to satisfy the judgment.

(2) If the claim is not based on a final judgment, presented evidence satisfactory to the department of either of the following:

(A) That the licensee is or has been the subject of bankruptcy proceedings and, for purposes of any civil litigation or claims in bankruptcy proceedings, has assigned to the department any interest in the actual and direct loss described in subdivision (c) in the amount that the claimant or claimants recover from the fund.

(B) That the claimant's claim is consistent with this chapter and the claimant had presented evidence satisfactory to the department that the debtor is judgment proof, or demonstrated evidence satisfactory to the department that the costs of collection are likely to be in excess of the amounts that could be collected. This evidence may include, but not be limited to, a description of searches and inquiries conducted by or on behalf of the claimant with respect to the judgment debtor's assets eligible to be sold or applied to the satisfaction of the judgment, an itemized valuation of the assets discovered, and the results of actions by the claimant to have the assets applied to satisfaction of the judgment.

(3) If the claim is based upon a violation of a provision within a warranty provided pursuant to Chapter 3 (commencing with Section 1797) of Title 1.7 of Part 4 of Division 3 of the Civil Code, demonstrated evidence satisfactory to the department that the claimant has been denied full compensation or correction under the warranty after the claimant has attempted to exercise his or her rights pursuant to the warranty.

(e) A claim against the fund shall be filed with the department within the following time periods:

(1) If the claim is based on a final judgment, within two years from the date of the judgment.

(2) If the claim is not based on a final judgment, within two years from the termination of bankruptcy proceedings or two years from the date of sale as determined by subdivision (a) of Section 18070.2, or within two years of discovery of the violations causing actual and direct losses

pursuant to this article but no longer than five years after the date of sale as determined by subdivision (a) of Section 18070.2, whichever event occurs later.

(f) When any person files a claim for an order directing payment from the fund, the claimant shall mail, by first-class mail, a copy of that claim to the last known address of the judgment debtor. The department shall conduct a review of the application and other pertinent information in its possession, and it may issue an order directing payment out of the fund as provided in subdivisions (a) to (e), inclusive, subject to the limitations of subdivisions (a) to (e), inclusive, if the claimant or claimants show all of the following:

(1) That he or she is not a spouse of the judgment debtor, the bankrupt licensee, or a person representing the spouse.

(2) That he or she is making an application within the time specified in subdivision (e).

(3) That the claimant has satisfied the applicable requirements of subdivision (d).

(4) That, if the claimant is a seller of a manufactured home used by the seller for personal, family, or household purposes, the claimant made a good faith effort to adequately secure the debt resulting from the sale of the manufactured home and with respect to which the claim is made. For purposes of this paragraph, a good faith effort to secure the debt may be demonstrated by, but shall not be limited to, providing the department with a promissory note signed by the debtor and which, pursuant to the terms thereof, is secured by collateral with a reasonable value at least equal to the debt evidenced by the promissory note.

(g) Upon an order of the department directing that payment be made out of the fund, the Controller is authorized to draw a warrant for the payment of the amount of the claim approved by the department pursuant to this section.

(h) In dispersing moneys from the fund, the department is authorized to give priority to claimants who have attempted to purchase or sell a manufactured home for a personal or family residential purpose.

(i) All claims to the fund that are received on or after January 1, 1993, shall be processed, and a determination made, within one year of submission of a properly completed application.

(j) The department, upon request by a Member of the Legislature, shall provide the following information: the number of claims to the fund, number of claims processed and decided within one year of their application date and submission of a properly completed application, the amount of fund money paid to claimants, and the amount of fund money allocated for the department's costs.

SEC. 11. Section 18070.6 of the Health and Safety Code is amended to read:

18070.6. (a) To the extent that department personnel and resources are available, in any administrative action brought by the department pursuant to Article 3 (commencing with Section 18058) of Chapter 7, the

department shall make reasonable efforts to plead and prove facts and allegations and request findings and conclusions necessary to support an order of restitution that may be deemed a final judgment.

(b) A person for whose benefit an order of restitution or other financial award has been granted by the director pursuant to this section may waive his or her rights to any additional compensation from the fund arising out of a transaction and submit a claim based on that administrative order to the fund after demonstrating efforts to collect pursuant to subdivision (d) of Section 18070.3.

(c) An order for restitution by the director pursuant to this section shall not exceed the amount of restitution ordered or approved by an administrative law judge in an administrative action brought by the department.

SEC. 12. Section 18400.3 of the Health and Safety Code is amended to read:

18400.3. (a) The department shall convene a task force of representatives of mobilehome owners, mobilehome park operators, local enforcement agencies that conduct mobilehome park inspections, and the Legislature, at least once a year, to provide input to the department on the conduct and operation of the mobilehome park maintenance inspection program.

(b) The Senate Committee on Rules and the Assembly Committee on Rules shall each designate a member of its respective house to be a member of the task force. Each legislative member of the task force may designate an alternate to represent him or her at task force meetings.

(c) With the input of the task force, the department may reorganize violations under this part and the regulations adopted pursuant to this part into the following two categories:

(1) Those constituting imminent hazards representing an immediate risk to life, health, and safety and requiring immediate correction.

(2) Those constituting unreasonable risk to life, health, or safety and requiring correction within 60 days.

(d) Any matter that would have constituted a violation prior to January 1, 2000, that is not categorized in accordance with subdivision (c) on or after January 1, 2000, shall be of a minor or technical nature and shall not be subject to citation or notation on the record of an inspection conducted on or after January 1, 2000.

SEC. 13. Section 18867 of the Health and Safety Code is amended to read:

18867. (a) (1) If, upon inspection, the enforcement agency determines that a special occupancy park is in violation of any provision of this part, or any rule or regulation adopted pursuant thereto, the enforcement agency shall promptly, but not later than 10 days, excluding Saturday, Sunday, and holidays, after the enforcement agency completes the inspection and determines that the alleged violation exists, issue a notice to correct the violation to the owner or operator of the special occupancy park and to the responsible person, as defined in Section 18871.8.

(2) If a violation constitutes an imminent threat to health and safety, the notice of violation shall be issued immediately and served on the owner or operator of the special occupancy park and to the responsible person, as defined in Section 18871.8.

(3) The owner or operator of the park shall be responsible for the correction of any violations for which a notice of violation has been given pursuant to this subdivision.

(b) (1) If, upon inspection, the enforcement agency determines that a recreational vehicle, an accessory building or structure, or lot is in violation of any provision of Chapter 7 (commencing with Section 18870), Chapter 8 (commencing with Section 18871), Chapter 9 (commencing with Section 18872), or any regulation adopted pursuant thereto, the enforcement agency shall promptly, but not later than 10 days, excluding Saturday, Sunday, and holidays, after the enforcement agency completes the inspection and determines that the alleged violation exists, issue a notice to correct the violation to the registered owner of the recreational vehicle, with a copy to the occupant thereof, if different from the registered owner.

(2) If a violation is discovered that constitutes an imminent hazard representing an immediate risk to life, health, and safety and requiring immediate correction, the notice of violation shall be issued immediately and served upon the occupant, with a copy mailed to the registered owner of the recreational vehicle, if different from the occupant, to the owner or operator of the special occupancy park, and to the responsible person, as defined in Section 18871.8.

(3) The registered owner or the occupant of the recreational vehicle shall be responsible for the correction of any violations for which a notice of violation has been given pursuant to this subdivision.

(4) The enforcement agency may issue a notice of violation in accordance with this chapter to the owner and occupant of a recreational vehicle, mobilehome, manufactured home, park trailer, or of factory-built housing which occupies a lot within a special occupancy park.

(c) (1) Service of the notice of violation shall be effected either personally or by first-class mail. Each notice of violation shall be in writing and shall describe with particularity the nature of the violation in as clear language as the technicality of the violation will allow the average layperson to understand what is being cited, including a reference to the statutory provisions or regulation alleged to have been violated, as well as any penalty provided by law for failure to make timely correction.

(2) For violations other than imminent threats to health and safety as provided in paragraph (2) of subdivision (a) and paragraph (2) of subdivision (b), the notice of violation shall allow 30 days from the postmarked date of the notice or date of personal delivery for the elimination of the condition constituting the alleged violation.

(3) If, after the reinspection of a violation described in paragraph (2) of this subdivision, the enforcement agency determines that there is a valid reason why a violation has not been corrected, including, but not limited

to, weather conditions, illness, availability of repair persons, or availability of financial resources, the enforcement agency may extend the time for correction, at its discretion, for a reasonable period of time after the 30-day period.

(4) Upon a reinspection after the 30-day period of a violation described in paragraph (2) of this subdivision, if a second notice to correct a violation that is the responsibility of the registered owner of the manufactured home or mobilehome or owner of the recreational vehicle pursuant to paragraph (1) of subdivision (b) is issued to the registered owner of a manufactured home or mobilehome or recreational vehicle, with a copy to the occupant thereof, if different from the registered owner, a copy of the notice shall also be provided to the owner or operator of the special occupancy park, and to the responsible person as defined in Section 18871.8.

(5) If a second notice to correct a park violation pursuant to paragraph (1) of subdivision (a) is issued to the owner or operator of the park and to the responsible person, as defined in Section 18871.8, the enforcement agency shall post a copy of the violation in a conspicuous place in the park common area, and the posted notice shall only be removed by the enforcement agency when the violation is corrected.

(6) All violations described in paragraph (2) of subdivision (a) and paragraph (2) of subdivision (b) shall be corrected within a reasonable time as determined by the enforcement agency. Notices of those violations shall state the time determined by the enforcement agency within which corrections must be made.

(d) Notwithstanding any other provision of law, the enforcement agency may, at its sole discretion, determine not to issue a notice of violation pursuant to this chapter if the condition which violates this part or the regulations adopted pursuant thereto does not constitute an imminent hazard representing an immediate risk to life, health, and safety and requiring immediate correction. If the enforcement agency determines, pursuant to this subdivision, not to issue a notice of violation, the enforcement agency shall include in its inspection report a description of the condition that violates this part and its determination not to issue a notice of violation.

SEC. 14. Section 33334.20 of the Health and Safety Code is repealed.

SEC. 15. Section 3692.4 of the Revenue and Taxation Code is amended to read:

3692.4. (a) Notwithstanding any other provision of law, any county, city, city and county, or any nonprofit organization as defined in Section 3772.5, may request the tax collector to bring to the next scheduled public auction any residential real property that meets all of the following requirements:

(1) The property taxes have been delinquent for at least three years.

(2) The real property will serve the public benefit of providing housing directly related to low-income persons.

(3) The real property is not occupied by the owner as his or her principal place of residence.

(b) Every request submitted to the tax collector shall include the following:

(1) A formal resolution of the governing board of the county, city, city and county, or nonprofit organization, requesting the accelerated auction of the real property and stating the public benefit.

(2) A written plan for the development, rehabilitation, or proposed use of the real property and how low-income persons will be served.

(3) If the request is from a nonprofit organization, the request shall have a formal resolution of approval from the city council of the city in which the real property is located, or from the board of supervisors of the county if the real property is located in an unincorporated area.

(c) Upon receiving a request as provided by this section, the tax collector shall include the real property in the next scheduled public auction.

(d) (1) If the real property is acquired by a nonprofit organization at auction, a deed restriction shall be placed on the real property, requiring the real property to be used for low-income housing for a period of at least 30 years.

(2) (A) In lieu of the 30-year restriction required by paragraph (1), the deed may provide for equity sharing upon resale, if the real property is a single-family home that will be sold by the nonprofit organization to a low-income owner-occupant.

(B) To the extent not in conflict with another public funding source or law, all of the following shall apply to an equity-sharing agreement provided for by the deed:

(i) Upon resale by an owner-occupant of the home, the owner-occupant of the home shall retain the market value of any improvements, the downpayment, and his or her proportionate share of appreciation. The nonprofit organization shall recapture any initial subsidy and its proportionate share of appreciation, which shall then be used for the purpose of providing financial assistance to low-income homebuyers.

(ii) For purposes of this subdivision, the initial subsidy shall be equal to the fair market value of the home at the time of initial sale to the nonprofit organization minus the initial sale price to the low-income owner-occupant, plus the amount of any downpayment assistance or mortgage assistance. If upon resale by the owner-occupant the market value is lower than the initial market value, then the value at the time of the resale shall be used as the initial market value.

(iii) For purposes of this subdivision, the nonprofit organization’s proportionate share of appreciation shall be equal to the ratio of the initial subsidy to the fair market value of the home at the time of initial sale.

(e) This section may not be construed to preclude the application, to the real property or the current owners of that property, of any other provision of law not in conflict with this section.

SEC. 16. The repeal of Section 33334.20 of the Health and Safety Code by this act does not release any agency that reduced the set-aside to its Low and Moderate Income Housing Fund pursuant to the provisions of that section from the requirement to eliminate the deficit in accordance with that section as it existed on December 31, 2005.

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